

Outgoing

Zeigler Chemical Corp./American Gilsonite Bond Release M/47/0013

1 message

April Abate <aprilabate@utah.gov>
To: Jerry Mansfield <jmansfield@utah.gov>
Co: Emily Berry <emilyberry@utah.gov>

Wed, Sep 14, 2016 at 5:01 PM

Hi Jerry,

We are processing a bond release for Zeigler Chemical Corp., who were gilsonite operators in the Bonanza area prior to American Gilsonite buying out their leases a little over a year ago. American Gilsonite did a significant amount of reclamation work on a lot of the old Zeigler disturbance areas - as you can see from one of the maps I am attaching.

The only SITLA holding is I-5, which was a mine shaft and head frame located on the Independent vein. The disturbance was reclaimed this past summer. The head frame was removed and the shaft was capped, buried, regraded and seeded. I am attaching a second map so that you can see the location on SITLA land along with some photos showing the reclamation work.

The overall bond release is for \$450,000 and includes a much larger area consisting of disturbances that are mostly on private land. This SITLA (I-5) area is only a portion of that. We estimate a bond cost for the demo/earthwork/grading at this one site at \$31,000. We are holding back \$2,400 for any additional seeding.

Please let me know if this all makes sense to you and whether or not I have your concurrence. This one is a little more complicated than usual. Let me know if you have any questions for me.

Regards, April





April A. Abate

Environmental Scientist III

Utah Division of Oil, Gas, & Mining

O: 801-538-5214 M: 801-232-1339 Hours M-Th 7-5

3 attachments



Zeigler_I-5map.jpg 441K



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